

Effects of Hurricane Katrina on the Nonfarm Employment and Unemployment Data

The federal Bureau of Labor Statistics (BLS) has included information on its Web site detailing the methodology that it will use to sort out the employment and unemployment shifts caused by Hurricane Katrina. The September 2005 nonfarm employment and labor force estimates scheduled to be released October 25th will be the first employment and unemployment data produced reflecting the impact of Hurricane Katrina.

The Current Employment Statistics (CES) estimates are used for the monthly nonfarm employment estimates and production workers hours and earnings by industry that are published in the monthly labor bulletin called "Workforce At A Glance". The CES estimates are based on a survey of businesses conducted for the reference week of the 12th of the month. The estimates are produced as part of a nationwide program, in cooperation with the BLS, for the state and eight metropolitan statistical areas detailing employment levels by industry sector.

The Current Population Survey (CPS) is used monthly to determine the unemployment rates for the state, metropolitan statistical areas, and all 64 parishes in Louisiana. This survey gathers information from households on the number of persons 16 years and older who are working or actively looking for work. The CPS survey uses the same reference week containing the 12th of each month.

Both data series serve as economic indicators of the activities in the local and state economy. They are the only survey data series with a turnaround time for publishing of roughly two months. Many economists use these series in making budgetary decisions to best allocate resources.

For detailed information on how the effects of Hurricane Katrina will be gauged using these two survey resources go to <http://stats.bls.gov/katrina/cpscesquestions.htm> or visit our Web site at <http://www.LAWORKS.net>, scroll over the tab at the top of the page for Labor Market Information and click on Effects of Hurricane Katrina in the drop down box.